

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION 225 NORTH HILL STREET, ROOM 130 P. O. BOX 512102, LOS ANGELES, CALIFORNIA 90051-4917

MARK J. SALADINO
REASURER AND TAX COLLECTOR

Telephone (213) 974-0871

Telecopier (213) 680-3648

October 20, 2009

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

AGREEMENT TO PURCHASE
"TAX DEFAULTED SUBJECT TO POWER TO SELL" PROPERTY
SUPERVISORIAL DISTRICT 4 - AGREEMENT 2643
(3 VOTES)

SUBJECT

The City of Long Beach is seeking to buy one tax-defaulted property through the Chapter 8 Agreement sale process. The Chapter 8 Agreement sale is designed to allow eligible government agencies and non-profit organizations the opportunity to buy tax-defaulted properties for a qualifying public purpose or benefit. The agency intends to construct one single family residence and re-sell to low or moderate income buyer.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman to sign the Purchase Agreement of "Tax Defaulted Subject to Power to Sell" property being acquired by the City of Long Beach (public agency) pursuant to the Revenue and Taxation Code, with revenue to be provided to recover a portion, if not all, of back property taxes, penalties, and costs on the delinquent parcel and any remaining tax balance to be cancelled from the existing tax rolls; and approve publication of the Purchase Agreement of "Tax Defaulted Subject to Power to Sell" property.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The property described in the agreement may be sold in accordance with the provisions of Division 1, Part 6, Chapter 8 of the Revenue and Taxation Code and with the policy adopted by Board action on November 24, 1970 as indicated on Attachment "A". Exhibit "A", attached to the Agreement, indicates the legal description and selling price of the parcel.

The Honorable Board of Supervisors October 20, 2009 Page 2

Upon approval, the attached agreement and copy are to be signed by the Chairman and returned to the Tax Collector for transmittal to the State Controller for further approval. County Counsel has approved the agreement as to form.

The Chapter 8 Agreement sale procedure permits eligible public agencies to acquire "Tax Defaulted Subject to Power to Sell" properties without the necessity of a public auction. The property described in this letter will be acquired by one public agency. The agreement is with the City of Long Beach, which intends to construct one single family residence and re-sell to low or moderate income buyers.

Implementation of Strategic Plan Goals

Approval of this agreement is in accordance with the Countywide Strategic Plan Goals of Fiscal Responsibility and Collaboration Across Jurisdictional Boundaries. Delinquent property taxes and costs are recovered, and limited-use parcels are identified for appropriate public purposes.

FISCAL IMPACT/FINANCING

Revenue will be provided to the County for apportionment among the affected taxing agencies, which will recover a portion, if not all, of back property taxes, penalties, and costs on the delinquent parcels. Any remaining tax balance will be cancelled from the existing tax roll.

Existing appropriation is available in the current Treasurer and Tax Collector 2009-2010 Budget for publication costs. Publishing, in accordance with Section 3798 of the Revenue and Taxation Code, is the most cost-effective method of giving adequate notification to parties of interest.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Chapter 8 Agreement sale procedure permits eligible public agencies to acquire "Tax Defaulted Subject to Power to Sell" properties pursuant to Section 3791, et seq., of the Revenue and Taxation Code.

Attachment "B" is a summary of the public agency's purchase. This attachment indicates the affected Supervisorial District and the public use for which the property is being acquired. Moreover, we have included copies of the relevant sections of the Revenue and Taxation Code pertaining to the Chapter 8 Agreement sale for your information. County Counsel has approved the agreement as to form. Attached to the agreement is the Assessor's parcel map showing the dimensions and general location of the affected parcel.

The Honorable Board of Supervisors October 20, 2009 Page 3

Efforts will be made to contact the owners and parties of interest to inform them of their tax liabilities and the provisions for the redemption of the property pursuant to Section 3799 of the Revenue and Taxation Code.

Section 3798 of the Revenue and Taxation Code mandates notice of agreements to be published once a week for three (3) successive weeks in a newspaper of general circulation published in the County.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

No impact.

CONCLUSION

Upon approval of the attached agreement forms, the Department of Treasurer and Tax Collector will need all original documents returned for submission to the State Controller, as the State Controller's Office has the final approval of these and all Chapter 8 Agreements.

Respectfully submitted,

MARK J. SALADINO

Treasurer and Tax Collector

MJS:DJD:af

Attachments (14)

c: Assessor Chief Executive Officer Executive Officer, Board of Supervisors Auditor-Controller Acting County Counsel

Attachment A

COUNTY OF LOS ANGELES

OFFICE OF THE TREASURER AND TAX COLLECTOR

HALL OF ADMINISTRATION
225 NORTH HILL STREET
LOS ANGELES, CALIFORNIA 90012

HAROLD J. OSTLY

November 17, 1970

W. T. KIDWELL

Board of Supervisors 383 Hall of Administration Los Angeles, California 90012

Gentlemen:

TAX AGREEMENT SALES

RECOMMENDATION:

That the Tax Collector be directed to review all requests for agreement sales pursuant to Chapter 8 of the Revenue and Taxation Code and recommend to the Board whether such requests should be approved in whole, in part, or denied.

That the Tax Collector is further instructed to review and recommend the price to be paid for such sales which price, in the absence of special circumstances, shall not be less than the amount necessary to redeem the property pursuant to Part 7 of Division 1 of the Revenue and Taxation Code.

EXPLANATION:

This office has recently completed a review of the policies currently in use with regard to the acquisi-

tion of tax deciled lands by taxing agencies under the authority of Chapter 8 of the Revenue and Taxation Code. This study showed that while present practices are in technical conformity with various statutory requirements, the \$1 per parcel price has remained constant since October 19, 1943.

It is the opinion of this office that the continuation of this nominal price is no longer in the best interest of the County and the other involved taxing agencies. The sale for a minimal fee of properties charged with sizable tax deficiencies results in substantial revenue losses to the County and other agencies.

The nominal fee can also result in requests for acquisition without adequate attention given to actual need by the requesting agency. The result is the removal of additional property from the tax base. If resold later as surplus, the proceeds accrue only to the acquiring agency.

Very truly yours,

ORIGINAL SIGNED

HJO:cm

HAROLD J. OSTLY TREASURER & TAX COLLECTOR

cc: 1 Clerk of the Board

5 One for each Supervisor

1 Chief Administrative Officer

1 County Counsel 6 Communications

On motion of Supervisor Dorn, unanimously carried, the foregoing was adopted.

SUMMARY OF PUBLIC AGENCY'S PURCHASE FOURTH SUPERVISORIAL DISTRICT

AGREEMENT NUMBER 2643

AGENCY

City of Long Beach Public Agency

Selling price of this parcel shall be \$20,517.00

Agency intends to construct one (1) single family residence for re-sell to low or moderate income buyers.

SUPERVISORIAL DISTRICT	·····		MINIMUM BID
4 th	CITY OF LONG BEACH	7208-014-010	\$20,517.00

AGREEMENT NUMBER 2643 CITY OF LONG BEACH FOURTH SUPERVISORIAL DISTRICT



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD · LONG BEACH, CALIFORNIA 90802

December 19, 2008

VIA COURIER AND FAX 213.680.3648

Donna J. Doss Assistant Treasurer and Tax Collector County of Los Angeles 225 N. Hill St., Room 130 Los Angeles, CA 90051-0102

	DISTRICT	LOCATION	AGREEMENT
•	4	City of Long Beach	2643
	4	City of Long Beach	2644

Re: 2009A Tax Sale

Dear Ms. Doss:

In accordance with your memo dated November 14, 2008, the City of Long Beach objects to the sale of the following tax defaulted properties and is interested in acquiring the following properties for public purpose through a Chapter 8 Agreement:

DISTR	nct Parcel No.	Site Address	Purpose for Acquisition
1	 7115-007-002 ₽	1056 E. 67 th Street	Rehab & re-sell to low/mod income buyers—
- 1	●7127-004-010 ႙	5640 Olive Avenue	Rehab & re-sell to low/mod income buyers
4	●7137-023-003 R	3972 Rose Avenue	Rehab & re-sell to low/mod income buyers
7 1	●7202-010-002 Ř	2283 Oregon	Rehab & re-sell to low/mod income buyers
1	●7208-014-010 T	2331 Locust Avenue	Rehab & re-sell to low/mod income buyers
1	●7232-022-001 	2475 Vuelta Grande	Rehab & re-sell to low/mod income buyers
ι	 7314-025-005 €	2730 Hayes Avenue	Rehab & re-sell to low/mod income buyers—
	7207-020-032	No Situs Address	Develop as Open Space
	7207-020-036	No Situs Address	Develop as Open Space
	7260-022-021	1327 Junipero	Develop as Open Space
	7241-002-040	4350 E. 7 th Street	Develop as Open Space

Enclosed as required information are mission statements for the City of Long Beach's Department of Community Development and Department of Parks, Recreation and Marine, as these departments will manage each parcel's development. Also enclosed are eleven (11) checks in the amount of \$100 each, representing the preliminary research fee for each parcel listed above.

If it is determined that the City of Long Beach is eligible to acquire these properties, please provide the Chapter 8 Agreement package and any instructions to my attention at the address listed above. If you have any questions or require further information, please do not hesitate to contact me at (562) 570-6846.

Sincerely, May Francii

Victor S. Grgas

Property Services Bureau Manager

Received __AUM

Application to Purchase Tax-Defaulted Property from County

his application is to be completed by eligible purchasing entities to commence purchase of tax-defaulted property by igreement sale from the county under applicable provisions of the California Revenue and Taxation Code. Please complete he following sections and supply supporting documentation accordingly. Completion of this application does not guarantee surchase approval.

Α	Purchaser Information
1. 1	me of Organization:City of Long Beach
2. 0	rporate Structure – check the appropriate box below and provide corresponding information:
	Nonprofit provide Articles of Incorporation
X	Public Agency provide mission statement (If redevelopment agency, also provide agency survey map)
	Purchasing Information mine which category the parcel falls under and then check the appropriate box as it relates to the purchasing entity's rate structure and the intended use of the parcel:
<u>C</u>	egory A: Parcel is currently scheduled for a Chapter 7 tax sale
	lo Purchase – State / county / taxing agency registering objection to preserve lien only
	eurchase by State / county / tax agency / revenue district / redevelopment agency / special district to preserve its lien
X	Purchase by State / county / tax agency / revenue district / redevelopment agency / special district for public purpose
	Purchase by nonprofit for low-income housing or to preserve open space
<u>C</u>	tegory B: Parcel is not currently scheduled for a Chapter 7 tax sale
	Purchase by State / county / taxing agency / revenue district / redevelopment agency / special district for public purpose
	Purchase by nonprofit to use parcel(s) for low-income housing or to preserve open space
1. 2.	Property Detail de the following information. If more space is needed for any of the criteria, consolidate the information into a late "Exhibit" document and attach accordingly: ounty where the parcel(s) is located: Los AngelessCounty ist each parcel by Assessor's Parcel Number: 7208-014-010 tate the purpose and intended use for each parcel: Construction of one single family residence for re-sell to low or moderate income buyers.
	Acknowledgement Detail de the signature of the purchasing entity's authorized officer City Manager Title Date

OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

RESOLUTION NO RES-09-0044

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH TO EXECUTE A CHAPTER 8
AGREEMENT WITH THE COUNTY OF LOS ANGELES TO ACQUIRE TAX-DEFAULTED PROPERTY (2331 LOCUST AVENUE)

WHEREAS, the City has been notified by the County of Los Angeles that certain property described in Exhibit "A" hereto (the "Property") was deemed "Subject to Power to Sell" for default of property taxes and is scheduled to be sold at public auction; and

WHEREAS, Division 1, Part 6, Chapter 8 of the Revenue and Taxation

Code permits the City to acquire such Property, prior to a public auction, for an amount

equal to the defaulted property taxes; and

WHEREAS, the City has considered acquiring the Property pursuant to a "Chapter 8 Agreement" with the County of Los Angeles and reviewed and evaluated the proposed acquisition in relation to open space and affordable housing objectives; the staff report prepared on this matter; and all of the information and evidence presented at the meeting; and

WHEREAS, the City has determined that the acquisition of the Property is in the best interest of the City of Long Beach and its residents;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City finds and determines, based upon substantial evidence provided in the record before it, that the acquisition of the Property will support the City's efforts to acquire and construct affordable housing.

Section 2. Pursuant to provisions of the Revenue and Taxation Code,

ı	İ				
	the City shall enter a	a Chapter 8 Agreement w	vith the County	of Los A	ngeles, in order to
	complete the acquis	ition of the Property for t	he open space	and affor	rdable housing
	purposes.	-			
	Sectio	n 3. The City Manage	r is hereby des	ignated to	o take all action
	necessary to acquire	e the Property.			
	Sectio	n 4. This resolution sh	nall take effect	immediat	ely upon its adoptior
	by the City Council,	and the City Clerk shall of	certify the vote	adopting	this resolution.
	I hereb	by certify that the foregoing	ng resolution w	as adopt	ed by the City
	Council of the City of	of Long Beach at its meet	ting ofM	lay 5	, 2009 by the
	following vote:				
	Ayes:	Councilmembers:	S. Lowenth	al, DeLo	ong, O'Donnell,
		•	Schipske,	Andrews,	Reyes Uranga,
			Gabelich,	Lerch.	

	Noes:	Councilmembers:	None.		-
	Absent:	Councilmembers:	Garcia.		
		٠.	d	Lan	Uman
				City	Clerk
	CERTIFIED AS A TR	LUE AND CORRECT COPY			
	ATTY, CLERK OFFI	E CITY OF LONG BEACH			
1	I	()			

HAM:kdh 04/14/09 #A09-01176

DATE: ___

MAY 1 8 2008

City Council's Stated Priorities

It is the mission of the City Council to continually improve the quality of life in our neighborhoods by ensuring public safety, supporting programs that encourage the public's health and well being; promoting quality housing developments, thereby improving home ownership opportunities for Long Beach residents; and ensuring that the city grows "Green" by creating appropriate environmental policies.

Essential to our success as a city is to ensure that City policy creation is done in a transparent manner with extensive community involvement.

City Council's Stated Priorities:

- Adopt an annual budget that is structurally balanced
- Improve the City's infrastructure, including streets, sidewalks, curbs, alleys and city facilities
- Enhance neighborhood economic development efforts, particularly on the commercial corridors
- Promote workforce and business development efforts to create new jobs; ensure Long Beach becomes more business friendly
- Improve the transportation system to efficiently and effectively move goods and people through the city without negatively impacting the neighborhoods

CODE 11934

TRACT NO. 3572

M. B. 39-9

NEY 13EU //-5-59

AGREEMENT TO PURCHASE LOS ANGELES COUNTY TAX-DEFAULTED PROPERTY

(Public/Taxing Agency)

This Agreement is made this	day of,	20 <u>09</u> , by	and between	the
Board of Supervisors of Los Angeles County,	State of California, and	the CITY (OF LONG BEA	ACH
("Purchaser"), pursuant to the provisions of	Division 1, Part 6, Ch	apter 8, of	the Revenue	and
Taxation Code.				

The real property situated within said county, hereinafter set forth and described in Exhibit "A" attached hereto and made a part hereof, is tax-defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes, pursuant to provision of law.

It is mutually agreed as follows:

- 1. That as provided by Section 3800 of the Revenue and Taxation Code, the cost of giving notice of this agreement shall be paid by the PURCHASER.
- 2. That the PURCHASER agrees to pay the total purchase price listed for each real property described in Exhibit "A" within 14 days after the date this agreement becomes effective. Upon payment of said sum to the tax collector, the tax collector shall execute and deliver a deed conveying title to said property to PURCHASER.
- 3. That the PURCHASER agrees that the real property be used for the public use specified on Exhibit "A" of this agreement.
- 4. That if said PURCHASER is a <u>TAXING AGENCY</u>, said agency would not share in the distribution of the payment required by this Agreement as defined by § 3791 and § 3720 of the Revenue and Taxation Code.

APPROVED AS TO FORM:

ROBERT KALUNIAN Acting County Counsel

By

Deputy County Counsel

APPROVED AS TO FORM

ROBERT E SHANNON, City Attorney

_ ()/

HEATHER A. MAHOOD
ASSISTANT CITY ATTORNEY

If all or any portion of any individual parcel listed in Exhibit "A" is redeemed prior to the effective date of this agreement, this agreement shall be null and void only as it pertains to that individual parcel. This agreement shall also become null and void and the right of redemption restored upon the PURCHASER'S failure to comply with the terms and conditions of this agreement. Time is of the essence.

0§§3791, 3791.3 3793 R&T Code

X: ID:Chptr 8 Pubagency form Revised 6/24/03

The undersigned hereby agree to the terms authorized to sign for said agencies.	and conditions of this agreement and are
ATTEST: CITY OF LONG BEACH	By City Manager
(Seal) ATTEST:	Board of Supervisors Los Angeles County
ByClerk of the Board of Supervisors	By Chairman of the Board of Supervisors
By Deputy (seal)	
Pursuant to the provisions of Section 3775 governing body of the City of N/A hereby agreement.	
ATTEST:	City of N/A
SOR OF SAMONSA	By Mayor
(seal) This agreement was submitted to me before e have compared the same with the records o property described therein.	f Los Angeles County relating to the real
Los	Angeles County Tax Collector
Pursuant to the provisions of Sections 3775 Code, the Controller agrees to the selling pric foregoing agreement this day of,	and 3795 of the Revenue and Taxation e hereinbefore set forth and approves the
By:	, STATE CONTROLLER

SUPERVISORIAL DISTRICT 4

AGREEMENT NUMBER 2643

EXHIBIT "A"

LOCATION	FIRST YEAR DELINQUENCY	DEFAULT NUMBER	PURCHASE PRICE	PURPOSE OF ACQUISITION
CITY OF LONG BEACH	2002	7208-014-010	\$20,517.00*	CONSTRUCT ONE (1) SINGLE FAMILY RESIDENCE FOR RE-SELL TO LOW OR MODERATE INCOME BUYERS

LEGAL DESCRIPTION

TRACT # 3572 E 45 FT OF LOTS 7 AND LOT 8 BLK C

^{*} The purchase price quoted on this Exhibit "A" is a projection of the purchase price for a schedule of eight (8) months. If the agreement is completed in less time, then the purchase price will be decreased; however if the completion of the agreement is longer than this time, the price will increase accordingly.

AGREEMENT TO PURCHASE LOS ANGELES COUNTY TAX-DEFAULTED PROPERTY

(Public/Taxing Agency)

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Board of Supervisors of Los Angeles County,	State of California, and	the CITY C	F LONG BEA	/CH
("Purchaser"), pursuant to the provisions of	Division 1, Part 6, Ch	apter 8, of	the Revenue	and
Taxation Code.				

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It is mutually agreed as follows:

- That as provided by Section 3800 of the Revenue and Taxation Code, the cost of giving notice of this agreement shall be paid by the PURCHASER.
- That the PURCHASER agrees to pay the total purchase price listed for each real property described in Exhibit "A" within <u>14</u> days after the date this agreement becomes effective. Upon payment of said sum to the tax collector, the tax collector shall execute and deliver a deed conveying title to said property to PURCHASER.
- 3. That the PURCHASER agrees that the real property be used for the public use specified on Exhibit "A" of this agreement.
- 4. That if said PURCHASER is a <u>TAXING AGENCY</u>, said agency would not share in the distribution of the payment required by this Agreement as defined by § 3791 and § 3720 of the Revenue and Taxation Code.

APPROVED AS TO FORM:

ROBERT KALUNIAN
Acting County Counsel

By

Deputy County Counsel

APPROVED AS TO FORM

ROBERT EVSHANNON, City Attorney

HEATHER A. MAHOOD

ASSISTANT CITY ATTORNEY

If all or any portion of any individual parcel listed in Exhibit "A" is redeemed prior to the effective date of this agreement, this agreement shall be null and void only as it pertains to that individual parcel. This agreement shall also become null and void and the right of redemption restored upon the PURCHASER'S failure to comply with the terms and conditions of this agreement. Time is of the essence.

0§§3791, 3791.3 3793 R&T Code

X: ID:Chptr 8 Pubagency form Revised 6/24/03

The undersigned hereby agree to the terms authorized to sign for said agencies.	and conditions of this agreement and are
ATTEST: CITY OF LONG BEACH	By Clash Cash City Manager
(Seal) ATTEST:	Board of Supervisors Los Angeles County
ByClerk of the Board of Supervisors	By Chairman of the Board of Supervisors
By Deputy (seal)	
Pursuant to the provisions of Section 3775 governing body of the City of N/A hereby agreement.	
ATTEST:	City of N/A
Commission of Conveniena (seàl) The Commission of Commiss	By Mayor
This agreement was submitted to me before e have compared the same with the records of property described therein.	f Los Angeles County relating to the real
Los	Angeles County Tax Collector
Pursuant to the provisions of Sections 3775 Code, the Controller agrees to the selling price foregoing agreement this day of, 2	and 3795 of the Revenue and Taxation e hereinbefore set forth and approves the
Ву:	, STATE CONTROLLER

SUPERVISORIAL DISTRICT 4

AGREEMENT NUMBER 2643

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